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Christopher Carty

*Special Conflicts Counsel to the Official Committee of  
Unsecured Creditors of Sears Holdings Corporation, et al.*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

----- X	
In re:	: Chapter 11
	:
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	: Case No. 18-23538 (RDD)
	:
Debtors <sup>1</sup>	: (Jointly Administered)
	:
	:
----- X	

**TWENTY-FIRST MONTHLY FEE STATEMENT OF HERRICK,  
FEINSTEIN LLP FOR PROFESSIONAL SERVICES RENDERED AND  
DISBURSEMENTS INCURRED AS SPECIAL CONFLICTS COUNSEL TO THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD OF  
AUGUST 1, 2021 THROUGH AUGUST 30, 2021**

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); SHC Licensed Business LLC (3718); SHC Promotions LLC (9626); Sears Brands Management Corporation (5365); and SRE Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179

Name of Applicant:	Herrick, Feinstein LLP
Authorized to Provide Professional Services To:	Special Conflicts Counsel to the Official Committee of Unsecured Creditors of Sears Holdings Corporation, <i>et al.</i>
Date of Retention:	March 22, 2019 <i>nunc pro tunc</i> to January 2, 2019
Period for Which Compensation and Reimbursement Is Sought:	August 1, 2021 through August 30, 2021
Monthly Fees Incurred:	\$30,334.00
20% Holdback:	\$6,066.80
Total Compensation Less 20% Holdback:	\$24,267.20
Monthly Expenses Incurred:	\$100.00
Total Fees and Expenses Requested:	\$24,367.20

This is a   x   monthly        interim        final application

Herrick Feinstein LLP (“Herrick Feinstein”), special conflicts counsel to the Official Committee of Unsecured Creditors (the “Creditors’ Committee”) of Sears Holding Corporation and its affiliated debtors and debtors in possession (collectively, the “Debtors”), hereby respectfully submits this statement of fees and disbursements (the “Twenty-First Monthly Fee Statement”) covering the period from August 1, 2021 through August 30, 2021 (the “Compensation Period”) in accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (the “Interim Compensation Order”) [ECF No. 796]. By the Twenty-First Monthly Fee Statement, and after taking into account certain voluntary discounts and reductions, Herrick Feinstein requests (a) interim allowance and payment of compensation in the amount of \$24,267.20 (80% of \$30,334.00) for fees on account of reasonable and necessary professional services rendered to the Creditors’ Committee by Herrick

Feinstein, and (b) reimbursement of actual and necessary costs and expenses in the amount of \$100.00 incurred by Herrick Feinstein during the Compensation Period.

**FEES FOR SERVICES RENDERED  
DURING THE COMPENSATION PERIOD**

**Exhibit A** sets forth a timekeeper summary that includes the respective names, positions, department, bar admissions, hourly billing rates and aggregate hours spent by each Herrick Feinstein professional and paraprofessional that provided services to the Creditors' Committee during the Compensation Period. The rates charged by Herrick Feinstein for services rendered to the Creditors' Committee are the same rates that Herrick Feinstein charges generally for professional services rendered to its non-bankruptcy clients.

**Exhibit B** sets forth a task code summary that includes the aggregate hours per task code spent by Herrick Feinstein professionals and paraprofessionals in rendering services to the Creditors' Committee during the Compensation Period.

**Exhibit C** sets forth a complete itemization of tasks performed by Herrick Feinstein professional and paraprofessionals that provided services to the Creditors' Committee during the Compensation Period.

**EXPENSES INCURRED  
DURING THE COMPENSATION PERIOD**

**Exhibit D** sets forth a disbursement summary that includes the aggregate expenses, organized by general disbursement categories, incurred by Herrick Feinstein in connection with services rendered to the Creditors' Committee during the Compensation Period.

**Exhibit E** sets forth a complete itemization of disbursements incurred by Herrick Feinstein in connection with services rendered to the Creditors' Committee during the Compensation Period.

### **NOTICE AND OBJECTION PROCEDURES**

Notice of this Twenty-First Monthly Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman Estates, Illinois 60179, Attention: Mohsin Y. Meghji ([email: mmeghji@miiipartners.com](mailto:mmeghji@miiipartners.com)); (ii) counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Eighth Avenue, New York, NY 10153, Attention: Ray C. Schrock ([email: ray.schrock@weil.com](mailto:ray.schrock@weil.com)), Jacqueline Marcus ([email: jacqueline.marcus@weil.com](mailto:jacqueline.marcus@weil.com)), Garrett A. Fail ([email: garrettlail@weil.com](mailto:garrettlail@weil.com)), and Sunny Singh ([email: sunny.singh@weil.com](mailto:sunny.singh@weil.com)); (iii) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attention: Paul Schwartzberg ([e-mail: paul.schwartzberg@usdoj.gov](mailto:paul.schwartzberg@usdoj.gov)) and Richard Morrissey ([e-mail: richard.morrissey@usdoj.gov](mailto:richard.morrissey@usdoj.gov)); (iv) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake ([email: paul.leake@skadden.com](mailto:paul.leake@skadden.com)), Shana A. Elberg ([email: shana.elberg@skadden.com](mailto:shana.elberg@skadden.com)) and George R. Howard ([email: george.howard@skadden.com](mailto:george.howard@skadden.com)); (v) Paul E. Harner, fee examiner, 1675 Broadway, New York, NY 10019 ([e-mail: harnerp@ballardspahr.com](mailto:harnerp@ballardspahr.com)); (vi) counsel to the fee examiner, Ballard Spahr LLP, 1675 Broadway, New York, NY 10019, Attention: Vincent J. Marriott ([e-mail: marriott@ballardspahr.com](mailto:marriott@ballardspahr.com)) and Tobey M. Daluz ([e-mail: dalurt@ballardspahr.com](mailto:dalurt@ballardspahr.com)); and (vi) counsel to the Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attention: Philip C. Dublin ([email: pdublin@akingump.com](mailto:pdublin@akingump.com)), Ira S. Dizengoff ([email: idizengoff@akingump.com](mailto:idizengoff@akingump.com)) and Sara Lynne Brauner ([email: sbrauner@akingump.com](mailto:sbrauner@akingump.com)), (collectively, the “Notice Parties”).

Objections to this Twenty-First Monthly Fee Statement, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than **October 19, 2021** (the

“Objection Deadline”), setting forth the nature of the objection and the amount of fees or expenses at issue (an “Objection”).

If no objections to this Twenty-First Monthly Fee Statement are filed and served as set forth above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified herein.

If an objection to this Twenty-First Monthly Fee Statement is received on or before the Objection Deadline, the Debtors shall withhold payment of that portion of this Twenty-First Monthly Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such an objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing to be heard by the Court.

*[Remainder of page left blank intentionally]*

Dated: New York, New York  
October 4, 2021

HERRICK FEINSTEIN LLP

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*Special Conflicts Counsel to the Official  
Committee of Unsecured Creditors of Sears  
Holdings Corporation, et al.*

**Exhibit A**

**Timekeeper Summary**

<b>PARTNERS</b>	<b>DEPARTMENT</b>	<b>YEAR OF BAR ADMISSION</b>	<b>RATE</b>	<b>HOURS</b>	<b>AMOUNT</b>
Christopher W. Carty	Restructuring & Finance Litigation	2010	\$850.00	7.5	\$6,375.00
Sean O'Donnell	Restructuring & Finance Litigation	1998	\$1075.00	1.8	\$1,935.00
<b>Total Partners</b>				<b>9.3</b>	<b>\$8,310.00</b>
<b>COUNSEL</b>	<b>DEPARTMENT</b>	<b>YEAR OF BAR ADMISSION</b>	<b>RATE</b>	<b>HOURS</b>	<b>AMOUNT</b>
Kyle J. Kolb	Restructuring & Finance Litigation	2012	\$690.00	21.20	\$14,628.00
<b>Total Counsel</b>				<b>21.20</b>	<b>\$14,628.00</b>
<b>ASSOCIATES</b>	<b>DEPARTMENT</b>	<b>YEAR OF BAR ADMISSION</b>	<b>RATE</b>	<b>HOURS</b>	<b>AMOUNT</b>
Gabrielle Fromer	Restructuring & Finance Litigation	2018	\$460.00	2.3	\$1,058.00
<b>Total Associates</b>				<b>3.3</b>	<b>\$1,058.00</b>

<b>PARALEGALS/ NON- LEGAL STAFF</b>	<b>DEPARTMENT</b>	<b>RATE</b>	<b>HOURS</b>	<b>AMOUNT</b>
Linda Schepp	Restructuring & Finance Litigation	\$350.00	3.7	\$1,295.00
Larisa Poretsky	Litigation	\$410.00	12.3	\$5,043.00
<b>Total Paralegals/ Non- Legal Staff</b>			<b>16.0</b>	<b>\$6,338.00</b>



E-Discovery and Litigation Support Services				<b>\$100.00</b>
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**EXHIBIT B**

**Task Code Summary**

<b>Task Code</b>	<b>HOURS</b>	<b>AMOUNT (\$)</b>
Fee/Employment Applications – B160	17.70	\$10,038.0
Other Contested Matters – B190	31.10	\$20,296.00
<b>Total</b>	<b>48.80</b>	<b>\$30,334.00</b>

**Exhibit C**

**Itemized Fees**



**HERRICK**

Official Committee of Unsecured Creditors of Sears Holdings  
Attn: Ron Tucker  
225 W. Washington Street  
Indianapolis, IN 46204

September 21, 2021  
Invoice Number: 552265  
Matter Number: 19609.0001  
Tax ID: 1662

Re: **Sears Bankruptcy**

Fees for legal services rendered through August 31, 2021 \$30,334.00

Expenses posted through August 31, 2021 100.00

**TOTAL** \$30,434.00

Unpaid balance from previous invoice(s) \$77,104.56

Total Due Now \$107,538.56

**INVOICE PAYMENT IS DUE UPON RECEIPT. THANK YOU.**

Kindly return this page with your

**check payment to:**

Herrick, Feinstein LLP  
2 Park Avenue  
New York, NY 10016

Send **wire or ACH payments to:**

Citibank, N.A.

ABA Number: 0089  
Account Number: 6165  
SWIFT #:

**Credit card payments:**

[www.herrickpay.com](http://www.herrickpay.com)

*URL/link redirects to our  
processor SlimCD*



**HERRICK**

Invoice Number: 552265  
Matter Number: 19609.0001  
Page: 2

**LEGAL SERVICES RENDERED:**

<u>DATE</u>	<u>NAME</u>	<u>TASK CODE</u>	<u>NARRATIVE</u>	<u>HOURS</u>
08/02/21	C. Carty	B190	Review and provide comments to draft affidavits.	2.20
08/02/21	K. Kolb	B190	Incorporate feedback to draft affidavits.	2.00
08/02/21	G. Fromer	B190	Draft analysis of comparison of debtor's allegations to similar cases between Cyrus's actions with Marble Ridge's actions in the Neiman Marcus case.	1.60
08/03/21	C. Carty	B190	Review and comment on draft cooperation agreements.	1.10
08/03/21	K. Kolb	B190	Revise declarations based on feedback from C. Carty.	0.40
08/03/21	K. Kolb	B190	Revise draft agreement with investigation targets.	0.60
08/03/21	K. Kolb	B190	Draft complaint.	1.40
08/03/21	L. Poretsky	B160	Redact, assemble, finalize and e-file 19th fee statement and arrange the service via PrimeClick	1.40
08/03/21	L. Schepp	B190	Prepare network folders for attorney review in preparation for migration to new server location.	1.40
08/04/21	K. Kolb	B190	Draft adversary complaint.	4.70
08/04/21	K. Kolb	B190	Analyze and research complaints and briefing from similar prior cases.	1.10
08/05/21	K. Kolb	B190	Further drafting of complaint and analysis of supporting documents.	2.90
08/05/21	K. Kolb	B190	Revise and analyze chart summarizing auction bids.	1.00
08/05/21	L. Poretsky	B160	Follow up on request for information related to fourth fee application	0.20
08/05/21	L. Poretsky	B160	Draft fourth fee application	0.80
08/05/21	L. Poretsky	B160	Follow up with billing department on a status of billing related to Fourth Interim Fee Application	0.30
08/06/21	K. Kolb	B190	Analyze productions in connection with drafting adversary complaint.	3.60
08/06/21	L. Schepp	B190	Compile prior research into produced call logs for attorney review.	0.40
08/06/21	L. Schepp	B190	Compile discovery chronology in preparation for attorney review.	1.20
08/09/21	K. Kolb	B190	Further refining of complaint.	0.60
08/10/21	K. Kolb	B190	Revise portions of complaint regarding holdings.	0.90
08/10/21	K. Kolb	B190	Revise summary of allegations to compare with recent committee cases.	0.20
08/10/21	L. Poretsky	B160	Analyze documents filed on a docket pertinent to the fifth fee application	1.50



**HERRICK**

Invoice Number: 552265  
Matter Number: 19609.0001  
Page: 3

<u>DATE</u>	<u>NAME</u>	<u>TASK CODE</u>	<u>NARRATIVE</u>	<u>HOURS</u>
08/10/21	L. Poretsky	B160	Follow up with billing department re missing information and discuss discrepancies	0.60
08/10/21	L. Poretsky	B160	Continue to draft fifth fee application	2.40
08/11/21	C. Carty	B160	Review and revise interim fee application.	1.30
08/12/21	L. Poretsky	B160	Conference with billing department to discuss discrepancies in billing summaries and invoices	0.40
08/12/21	L. Poretsky	B160	Draft fifth fee application and revise per comments;	2.90
08/13/21	C. Carty	B160	Revise and finalize draft of interim fee application; correspondence with Akin re same.	2.10
08/13/21	L. Poretsky	B160	Revise and finalize fifth fee application and circulate for review	0.70
08/16/21	C. Carty	B160	Finalize interim fee app for filing.	0.20
08/16/21	L. Poretsky	B160	Revise and finalize Fifth Fee Application	0.30
08/16/21	L. Poretsky	B160	Prepare for filing and e-file Fifth Fee Application	0.50
08/16/21	L. Poretsky	B160	Submit filed Fifth Fee Application to Prime Clerk for the service.	0.30
08/17/21	C. Carty	B190	Analyze privilege issues concerning declarations.	0.30
08/17/21	S. O'Donnell	B160	Review/revise affidavits; confer w/ team re same.	1.00
08/17/21	K. Kolb	B190	Revise declarations and agreements and discuss with C. Carty.	0.70
08/17/21	G. Fromer	B190	Discuss proffers with K. Kolb.	0.10
08/17/21	G. Fromer	B190	Review notes and emails from conversations with Stroock, Kramer Levin, and Quinn Emanuel.	0.60
08/17/21	L. Schepp	B190	Update numerous proffer summary memorandums in preparation for attorney review.	0.70
08/18/21	C. Carty	B190	Analyze privilege issues concerning declarations.	0.30
08/18/21	K. Kolb	B190	Analyze research into work product issue.	0.60
08/18/21	K. Kolb	B190	Email investigation targets with case updates.	0.50
08/19/21	S. O'Donnell	B160	Review/comment/finalize proffer affs.	0.80
			<b>TOTAL</b>	<b>\$30,334.00</b>



**HERRICK**

Invoice Number: 552265  
Matter Number: 19609.0001  
Page: 4

**LEGAL SERVICES SUMMARY**

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
C. Carty	7.50	850.00	6,375.00
G. Fromer	2.30	460.00	1,058.00
K. Kolb	21.20	690.00	14,628.00
S. O'Donnell	1.80	1,075.00	1,935.00
L. Poretsky	12.30	410.00	5,043.00
L. Schepp	3.70	350.00	1,295.00
<b>TOTAL</b>	<b>48.80</b>		<b>\$30,334.00</b>

**DISBURSEMENTS:**

	<u>AMOUNT</u>
E-Discovery Data Hosting	100.00
<b>TOTAL:</b>	<b>\$100.00</b>

**TASK SUMMARY**

<u>Task Code</u>	<u>Task Description</u>	<u>Hours</u>	<u>Amount</u>
B160	Fee/Employment Applications	17.70	10,038.00
B190	Other Contested Matters	31.10	20,296.00
<b>TOTALS</b>		<b>48.80</b>	<b>\$30,334.00</b>

**PREVIOUS BILLS OUTSTANDING**



Invoice Number: 552265  
Matter Number: 19609.0001  
Page: 5

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Original Amount</u>	<u>Less Credits Applied</u>	<u>Balance</u>
356647	07/16/20	62,817.18	60,748.68	2,068.50
544217	03/25/21	4,063.00	4,062.80	0.20
545915	04/30/21	9,632.00	7,725.60	1,906.40
546768	05/25/21	19,600.60	15,701.90	3,898.70
547628	06/16/21	16,306.66	13,058.76	3,247.90
549157	07/19/21	24,438.50	19,590.80	4,847.70
550688	08/23/21	61,135.16	0.00	61,135.16
Total Outstanding				\$77,104.56



**Exhibit D**

**Disbursement Summary**

E-Discovery Data Hosting	\$100.00
<b>Total</b>	<b>\$100.00</b>

**Exhibit E**

**Itemized Disbursement**

Disbursement Detail

Applied filters: Matter: Official Committee of Unsecured Creditor (19609) Sears Bankruptcy (0001), Transaction Date: From 2021-08-02 To 2021-08-31

Disbursement ID	Client/Matter	Transaction Date	Disb Code	Quantity	To Bill Amount \$100.00	Phase/Task	Narrative	Bill Number	Base Quantity	Billed Quantity	Base Amount	Billed Amount \$100.00	Posted Period	Billed Period	Bill Date
9277108	Official Committee of Unsec Sears Bankruptcy (0001)	8/31/2021	E-Discovery Data Hosting Mi	1	\$100.00	Expenses Only (EXP.EXP) Expenses Only	Sears Bankruptcy UCC - Rule	552265	1	1	\$100.00	\$100.00	202108	202109	9/21/2021